CoSEA
Colorado Society of Enrolled Agents

Volume 21 Issue 3
May / June 2009

# MEETINGS

Everyone welcome - Members, spouses, friends, non-members, subscribers, IRS & CDOR personnel and any other interested individuals!!

Your Board wants to see you!!! This month and in future months at our regularly scheduled dinner meetings. They are one of the best places to meet new members, share your ideas, learn new resources and actually have fun while earning CPE credits.

Reservations may be called to Linda Ward at 303-221-6691 or e-mailed to linda13@lward.biz no later than the Sunday before the meeting.
***No shows will be billed if a reservation is made.***

# DINNER MEETINGS

## MAY 26, 2009

### Meeting

**Date:** Tuesday, May 26, 2009

**Time:** 5:00 PM Board Meeting
6:00 PM Dinner
7:00 PM Program

**Place:** Holiday Inn
4849 Bannock St.
at I-25 and I-70
*Directions on page 7*

**Program: CO compliance – notices – forms required**

**Speaker:** Alan Poe, Esq.
Partner of Holland & Hart LLP

## JUNE 23, 2009

### Meeting

**Date:** Tuesday, June 23, 2009

**Time:** 5:00 PM Board Meeting
6:00 PM Dinner
7:00 PM Program

**Place:** Holiday Inn
4849 Bannock St.
at I-25 and I-70
*Directions on page 7*

**Program: IRA – What type of investments are allowed**

**Speaker:** Kathleen Dvorchak
America's IRA Centers

**Cost for Dinner & Program:**

Members ............................................................ $25.00
Non-members .................................................... $30.00
Program Only ................................................... $15.00

MAKE CHECKS PAYABLE TO CoSEA

***NO SHOWS WILL BE BILLED!***

## PRESIDENT'S MESSAGE

### *Congratulations you have made it through another tax season!!!!*

Now that tax season is over the Board is going to renew its efforts to increase membership. We would like to see more current members at our meetings. Please consider joining us to celebrate another successful tax season. In addition we are going to actively pursue new members by reaching out to the enrolled agents that are not currently members. If you would like to help in this effort please let us know. We are in the process of preparing a mailing to invite new members.

National has been tracking new members around the nation. At this time NAEA has maintained a 0% change for members. There are 10840 members nationwide. There are approximately 40000 enrolled agents so we have some room for growth!! Colorado has 192 members. We have 18 new members since June. ***If you are one of them WELCOME!!***

In May I will be going to Washington DC to the Affiliate President's Exchange for NAEA. Please provide any comments, ideas, etc… that you would like me to bring to national. This is Colorado's chance to be heard at the national level.

I look forward to seeing you all at an upcoming meeting. Remember to pick up your new *COSEA Lapel Pin* at the dinner meeting. Please feel free to email me with questions or suggestions for our organization: Janeenie2@comcast.net

Sincerely,

Janeen

Janeen Ryan, EA

## What Interests You?
## Know a Speaker?

Linda Ward needs your suggestions on topics and new speakers. If you have any suggestions, please contact Linda at 303-221-6691 or email her at linda13@lward.biz .

# ATTENTION CoSEA MEMBERS!

Please send your updated contact information, *i.e*. addresses, phone numbers and/or e-mails to Carroll Senechal at (720) 470-9845 or email to cmsenechal@yahoo.com This will help your Board stay current and ensure that all notices, newsletters, etc. will be delivered to you in a timely manner. Please note that your newsletters are e-mailed to you by Joan Lipinski of Misteren Graphics, our printer. This is not spam, so please do not block this e-mail.

# Jeanine's Journal

Dear CoSEA Members:

We made it through another tax season! Congratulations on a job well done!

This issue will be short because we were all a little busy over the tax season. See the "Meet the Board" section to learn about two more members.

Our e-mailing of newsletters works well for CoSEA to date. Please send me your updated e-mail address if you are not receiving your correspondence. We are trying to eliminate the post-mailed letters if possible. You also need to make sure that your spam blockers are set to allow newsletters from CoSEA and our printer Misteren Graphics. Let me know if you are having any problems with the new system or if you have other questions about our procedures. You may e-mail me at jeaninetaxserv@yahoo.com.

Would the following people please contact Jeanine with your current e-mail address.

| | |
|---|---|
| Mary E. Innes | David J. Straka |
| Theodore Schey | Patricia K. York |

We hope to see you at the next meeting.

Take care,

*Jeanine*

Jeanine Buben-Croy, MT, EA
CoSEA Newsletter Editor
http://www.jeaninetaxserv.com
303-432-7428 (office) • 303-619-8900 (cell) • 303-432-2455 (fax)

## "Come to the Meetings"

## POSITIONS OPEN!!

We have openings for the Nominating and Publicity/Public Relations Chairs.

Please let one of the Board members know if you are interested in serving in these positions.

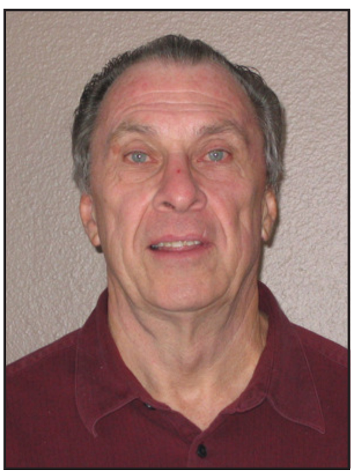
# Meet Your Board

**Linda Ward, EA, PA, ABA**
Centennial, CO 80122 303-221-6691
Linda13@lward.biz

I have been in the public accounting area for over 40 years. I worked in my husband's CPA firm until he retired in 1989. I worked for a year for the firm that bought my husband's practice. Then we moved to a small ranch in Elizabeth, CO. I kept my hand in accounting by doing tax returns. Over the years, the practice kept building and in 1997 we moved back to the metro area.
My practice consists of small businesses, financial statements, tax returns - business and individuals (including farm returns).

Other areas of my practice consist of bookkeeping services, working with nonprofit organizations and QuickBooks training. I have taught classes for MiCasa, CWLC (Colorado Women's Leadership Coalition) and LifeMoxie.

I got my EA in 1997 and my ABA in 2003. I am a member of the NAEA, CoSEA, NSA, and PASC. I became a CoSEA board member in 2007, and currently serve as the Treasurer and Program Chair.



**Jan Edwards, CoSEA Director and Co-Chair Website Committee**
Office in home in Greeley, 970-396-3672, FAX 970-330-7362
janedwards@prodigy.net

My practice developed in 2004 from my personal need to prepare individual and partnership returns. This expanded into providing tax preparation to members of my church as a ministry and free to widows and widowers. In addition to tax preparation, I provide bookkeeping services as an independent contractor for my church using the specialized church software, PowerChurch+. Prior to this, I worked in a Greeley tax office for over three years where I was encouraged to get my EA certification which was achieved in 2003.

Prior to my retirement in 1991 from a national corporation, my experience there included department head, cost engineer, project manager and building engineer among other capacities for 27 years. Other business experiences include ownership of a local laundromat-dry cleaners establishment, business manager/partner for a steel supply & welding shop, general contractor for a retail commercial building remodel and remodel for rent and/or resale of foreclosed properties. Education includes MS in Industrial Engineering from Oklahoma State University (1965) and BS in Engineering from OSU in 1964. Having a developmentally disabled son resulted in my serving on the Boards of various non-profit organizations such as Envision and the Schaefer Rehabilitation Center in Greeley. Other boards served on include my churches in Greeley and Rochester, New York and City Councilman in my hometown in Oklahoma.

I enjoy being a member of CoSEA as a means to network and expand my knowledge.

# ETHICS STANDARDS

by Jeanine Buben-Croy, MT, EA

**Source:** Continuing Professional Education 2009 DU Graduate Tax Program Catalog and other sources

There are many excellent local seminars offered by National Society of Accountants, National Society Tax Preparers, National Association Tax Preparers, Certified Public Accountants and others each summer and fall. You can attend these activities as members or non-members of the sponsors. Ethics credits for Enrolled Agent (EA) continued education licensing requirements are available from various certified professional education (CPE) resources each year. There are also professional credit seminars available for accounting, auditing, finance and representation areas of practice.

The University of Denver Graduate Tax Program offers CPE credit programs several times a year. New seminar details TBA.

Please call DU GTP at 303-871-6239 to register for the GTP courses that interest you. You may request a DU Graduate Tax catalog by calling 303-871-6239. A free GTP parking pass will be mailed to you with your confirmation after payment is received for registered courses.

Anyone in CoSEA that has other ethics or practice courses to recommend should send the information to me at jeaninetaxserv@yahoo.com as a WORD attachment. I will be glad to inform our membership, so that we all know our options available for credits for our continued professional (CPE) licensing requirements.

# IRS Updates & News Releases

## 2009 Standard Mileage Rates

Revenue Procedure 2008-72 provides annual optional standard mileage rates for employees, self-employed individuals, or other taxpayers to use in computing the deductible costs of operating an automobile for business, charitable, medical, or moving expense purposes.

## Tax Gap Fact Sheet

The latest Tax Gap fact sheet on Wage Compensation for S Corporation Officers was recently posted to IRS.gov.

## 2009 Inflation Adjustments & Pension Plan Limitations

By law, the dollar amounts for a variety of tax provisions must be revised each year to keep pace with inflation. More than three dozen tax benefits, affecting virtually every taxpayer, are being adjusted for 2009. Find out what's changing in news release IR-2008-117. http://www.irs.gov/newsroom/article/0,,id=187825,00.html In addition, news release IR-2008-118 explains the cost-of- living adjustments applicable to dollar limitations for pension plans and other items for tax year 2009. http://www.irs.gov/newsroom/article/0,,id=187833,00.html

## Foreign Bank Account Reporting (FBAR) Changes

There are a number of changes to the FBAR process including a new reporting form TD F 90-22.1 Here are some of the major changes. I will provide more information as it becomes available.

- The new FBAR has five parts while the prior version FBAR has two parts. The change allows filers to file one FBAR to include all of their foreign financial accounts. Using the prior version of the FBAR, a filer had to file multiple FBARs when holding different types of accounts. Each prior version of the FBAR required the filer to repeat all the filer information, whereas the new FBAR allows the filer to enter filer information once.
- The new FBAR contains all the information required to be retained under 31 C.F.R. §103.32 (FBAR records retention) whereas the prior FBAR did not. This allows a filer to have in one convenient form, the copy of the filed FBAR, as well as all needed information. Many filers were unaware of the record retention provisions, but would normally keep a copy of the filed form. This change will allow filers to be in compliance with both filing and record keeping requirements at one time.

*continued on page 6*

## IRS Updates & News Releases *(continued from page 5)*

- The instructions have been expanded from one and a half pages to three pages. This expansion is at the request of many filers who wanted more detailed explanations.
- Formatting changes have been made to minimize the amount of time spent on completing the form. The use of check boxes and fillable spaces has been expanded. Reorganization by type of account reported into separate parts facilitates reporting. Parts appear on separate pages and are clearly labeled so that those parts which are applicable to the filer may be quickly found.

## IRS Tax Forum Online

For those who were unable to attend one of the nationwide tax forums this summer, you can now view selected IRS Nationwide Tax Forum Videos Online.

## For Individual and Business e-File, 2008 Is a Record Breaker

**http://www.irs.gov/newsroom/article/0,,id=188359,00.html**

Individual taxpayers e-filed almost 90 million tax returns during 2008, an increase of more than 12 percent over the prior year. Of the 155 million tax returns filed, about 58 percent were filed electronically. “More people with home computers and businesses embraced electronic filing this year,” said IRS Commissioner Doug Shulman. “Every year, more people realize that electronic filing is the safe, accurate way for taxpayers to complete their taxes and get faster refunds.”

## Issue Management Resolution System (IMRS) Monthly Overview

http://www.irs.gov/businesses/small/article/0,,id=187355,00.html The September overview and current hot issues are now available. IMRS facilitates stakeholder issue identification, resolution and feedback.

## Recent Articles from e-News for Small Businesses

### Charge to increase for copies of tax returns

http://www.irs.gov/businesses/small/article/0,,id=187809,00.html

Beginning Nov. 1, the fee for an exact copy of a previously-filed and processed tax return and all attachments will increase to $57. The IRS can provide a tax return transcript for many returns free of charge. A transcript contains the information most mortgage companies and other lending institutions require for loan and employment verification purposes.

## Get the latest small business news on SBTV.com

Tune into SBTV.com today for information about Small Business Tax Workshops. Next week, Wednesday’s newscast has tips on filing a Schedule C and on Thursday information about the new 2009 Small Business Tax Calendar.

## Technical Guidance

Revenue Procedure 2008-69 provides REITs with a method for applying the prohibited transactions tax safe harbor under §§ 857(b)(6)(C)(iii) and (D)(iv) of the Internal Revenue Code for a taxable year that begins on or before July 30, 2008, and ends on or after July 31, 2008.

Revenue Procedure 2008-70 sets forth for purposes of section 846 of the Internal Revenue Code the loss payment patterns and discount factors for each property and casualty line of business for the 2008 accident year. These factors are to be used by property and casualty insurance companies in discounting unpaid losses. This revenue procedure also corrects the discount factors for the Composite and International (Composite) lines of business for the 2006 and 2007 accident years in Rev. Proc. 2007-9, 2007-1 C.B. 278, and Rev. Proc. 2008-10, 2008-3 I.R.B. 290, for taxpayers that use the composite method of Notice 88-100, 1988-2. C.B. 439.

Revenue Procedure 2008-71 sets forth for purposes of section 832 of the Internal Revenue Code the salvage discount factors for each property and casualty line of business for the 2008 accident year. These factors are to be used by property and casualty insurance companies to discount estimated salvage recoverable.

Notice 2008-107 provides adjustments to the limitation on housing expenses for specific locations outside the United States for purposes of section 911 of the Internal Revenue Code. The adjusted housing expense limitations are to be used in determining the housing cost amount eligible for exclusion or deduction for tax year 2008.

Revenue Procedure 2008-71 sets forth for purposes of section 832 of the Code the salvage discount factors for each property and casualty line of business for the 2008 accident year. It will be published in IRB 2008-49 dated Dec. 8, 2008.

Revenue Ruling 2008-53 provides various prescribed rates for federal income tax purposes for December 2008. It will be published in IRB 2008-49 dated Dec. 8, 2008.

Notice 2008-108 sets forth a list of changes referred to in Rev. Proc. 2007-44, 2007-2 C.B. 54, pertaining to the statutory, regulatory, and guidance changes needed for certain requests to the Service for opinion, advisory, and determination letters for the 12-month period beginning February 1, 2009.

Revenue Ruling 2008-52 provides the dollar amounts, increased by the 2009 inflation adjustment, for § 1274A of the Internal Revenue Code.

***"Get Ready To Learn"***

# Coming Events

## 2009 PROGRAMS

**Monthly Meetings**

| | |
|---|---|
| **May 26, 2009 –** | **CO compliance – notices – forms required** Alan Poe, Esq. |
| **June 23, 2009 –** | **IRA – What type of investments are allowed** Kathleen Dvorchak |
| **July 28, 2009 –** | ****Estates and Gifts** John Phillips, Esq. |
| **August 25, 2009 –** | **Tax Representation** Audrey Dean, EA |
| **September 22, 2009 –** | ***Ethics** Allan Rosenbaum, Ph.D. |
| **October 27, 2009 –** | Colorado Tax Update |
| **November 17, 2009 –** | **IRS Tax Update** Deborah Rodgers, Senior Stakeholder Liaison |
| **December, 2009 –** | **Holiday Party** at Heritage Square, Dickens' The Haunted Man |

**Special Seminars**

**2010 No Frills**

**January 9, 2010** – Denver
**January 16, 2010** – Colorado Springs

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Affiliate of the National Association of Enrolled Agents
www.taxproco.org

## MONTHLY MEETING LOCATION

Our meeting site is at the Holiday Inn at the Mousetrap. The address is 4849 Bannock Street, located northwest of the intersection of 1-25 and 1-70. Here's how to get there:

*Going east on 1-70:* exit onto Pecos, go left (north) over the freeway to 48th Ave. Go right (east) to Bannock, turn left to 4849 Bannock.

*Going west on 1-70:* exit onto Pecos, turn right (north) to 48th, turn right (east) to Bannock, go left.

*From 1-25:* exit at 58th Ave., go west to 2nd light west of freeway, at Bannock, turn left (south).

*September meeting to be held at Johnson's Corner
**July meeting to be held in Southeast Denver

Visit our website at
**www.taxproco.org**

## ADVERTISING RATES

| | |
|---|---|
| Full Page | $138.00 |
| Half Page Horizontal | $ 78.00 |
| Half Page Vertical | $ 78.00 |
| Quarter Page | $ 44.00 |
| Eighth Page | $ 26.00 |
| Column Inch | $ 18.00 |

Classified bimonthly ad rates are $1.75 per line (or partial line) per issue, with a $10.00 minimum.

Open rates are subject to change, and open rate advertising is subject to space availability. For further information, call Jeanine Buben-Croy, EA 303-432-7428.

All contents and design are subject to publisher's approval. Publisher reserves the right to reject or cancel any advertising at any time. Advertiser agrees to indemnify the publisher against any loss, damages or expense arising from the use by advertiser of any unauthorized names, photographs, sketches or words protected by copyright or trademark.

The newsletter is sent bimonthly to all members of the Colorado Society of Enrolled Agents, nonmember subscribers, selected members of the National Association of Enrolled Agents, government officials and others. Additional mailings are targeted to other Enrolled Agents and/or other tax professionals.

Deadline is the 15th of the month prior to cover date (i.e. June 15 for July-August issue). Submit Word attachments to jeaninetaxserv@yahoo.com. Submit contracts and/or payments to Jeanine Buben-Croy, EA, 6606 W. 79th Ave., Arvada, CO 80003. Make checks payable to CoSEA.

If you know of a company or someone who wants to advertise in the Newsletter, please have them contact Jeanine at 303-432-7428 or e-mail her at jeaninetaxserv@yahoo.com

# COLORADO SOCIETY OF ENROLLED AGENTS




The Colorado Enrolled Agent is published bimonthly by the Colorado Society of Enrolled Agents. Your comments, suggestions and submissions are invited. Copy must be typed and double-spaced on 8-1/2 x 11” white bond paper with 1-1/2” margins or submitted in MS Word on a 3-1/2” diskette. Copy not received by the fifteenth of the month preceding publication will be held for a future issue. We reserve the right to edit all copy for length and clarity. Material published in The Colorado Enrolled Agent may be reprinted. We request only that suitable credit be given. This publication is designed to provide accurate and authoritative information in regard to the subject matter covered. It is published with the understanding that the publisher is not engaged in rendering legal, accounting or other professional service. The services of a competent professional should be sought when legal, accounting or other expert assistance is required.



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